

Members:

Rep. Susan Crosby, Chair
Rep. Gloria Goeglein
Sen. Steven Johnson
Sen. Cleo Washington



Lay Members

Candace Backer
Robert Bonner
Dr. David Giles
John Huber
Galen Goode
Gloria Kardee
Jerri Lerch
Amelia Cook Lurvey
Janet Marich
Judge Stephen Spindler
Judith Tilton

INDIANA COMMISSION ON MENTAL HEALTH

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MEETING MINUTES¹

Meeting Date: April 29, 1998
Meeting Time: 10:30 A.M.
Meeting Place: State House, 200 W. Washington St.,
Room 233
Meeting City: Indianapolis, Indiana
Meeting Number: 1

Members Present: Rep. Susan Crosby, Chair; Robert Bonner; Dr. David Giles; John Huber; Galen Goode; Gloria Kardee; Jerri Lerch; Amelia Cook Lurvey.

Members Absent: Rep. Gloria Goeglein; Sen. Steven Johnson; Sen. Cleo Washington; Candace Backer; Janet Marich; Judge Stephen Spindler; Judith Tilton.

LSA Staff Present: Barry Brumer, Staff Attorney; Susan Preble, Fiscal Analyst.

Chairperson Crosby called the meeting to order at 10:50 a.m. and asked the members to introduce themselves. Rep. Crosby introduced Dr. Hugh Hendrie, Chairman, Indiana University Department of Psychiatry.

Dr. Hendrie said that the Department of Psychiatry (DOP) is the only department that trains psychiatric residents in the state. He stated that the DOP has contracts with Midtown Mental Health Center and LaRue Carter Hospital to provide services. He discussed that the DOP developed an external advisory board about three years ago to help get feedback on how the DOP is fulfilling its mission. He stated that one of the issues the advisory board looked at was research. He discussed with the Commission information on the research conducted by the DOP. Dr. Hendrie explained that a second concern of the advisory board was the research conducted by the DOP was not being communicated with the public. A third concern is the issue of providing a stable source of funding for research. Dr. Hendrie stated these are the

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areas that the department is focusing on today. He explained that an outgrowth of these concerns was the development of a symposium for consumers and professionals which will convene on June 10, 1998 (Exhibit A).

Family and Social Services Administration Update

Kathy Davis, Secretary, Family and Social Services Administration (FSSA), updated the Commission on what has occurred since the Commission's last meeting. She stated that Senate Bill 461 passed in the 1998 session requires the Commission to make recommendations by July 1, 1998, as to how the FSSA should develop rates for the seriously mentally ill and how to allocate funding among regions in the state based on an actuarial study. She noted that the July, 1998, contracts and rates with community mental health centers around the state need to be determined by May 15, 1998. She mentioned that a complicating factor in determining the rates is an anticipated cut of funding from the Social Services Block Grant of about 17% for mental health programs that will be effective on October 1, 1998.

Actuarial Study Presentation

Janet Corson, Acting Director, Division of Mental Health, stated that William M. Mercer, Inc. conducted an actuarial study of future mental health needs. She stated that the actuarial study developed more rates than the Division of Mental Health (DMH) anticipated. She explained that the study was conducted using data that had never been compiled until this study was undertaken. Ms. Corson mentioned that the Commission might want to focus on the rates discussed by Mercer. She stated that a second focus for the Commission might be the allocation formula which is based on prevalence rates developed in the study. Ms. Corson explained that the rates and allocation formulas can be approved separately by the Commission.

Mr. Rob Hess, Project Director, William M. Mercer, Inc., stated that this study was really two separate studies, establishing case rates (how much to pay) and establishing prevalence estimates (allocations to the regions in the state). Copies of the slide presentation are found in Exhibit B. He discussed the methodology of the study and explained that the study looked at seven major populations. He stated that FY 97 provider data used in the study included both enrollment and encounter data. He discussed the variables used in the study. Mr. Hess discussed the findings of the nine homogeneous groups in the study. He also discussed the case rates that were developed for the nine homogeneous groups.

Mr. Hess testified concerning the methodology used to determine the prevalence rates. He also provided information showing the prevalence rates that were determined (Exhibit B). Mr. Hess stated that prevalence rates were determined for individuals aged nine and older. He stated that current literature doesn't support the development of prevalence rates for people 0 to 8 years of age.

Division of Mental Health Presentation

Mr. Rich DeLiberty, Deputy Director, Division of Mental Health, addressed the Commission concerning the implementation of the actuarial study (Exhibit C). He discussed the proposed changes in the rate structure and the implications of the change, the DMH recommendation for implementing the rate structure, implications of the prevalence data in the actuarial study, alternative recommendations for resource allocation, and data on the amount of funding needed for full implementation of the new rate structure. He stated the purpose of the new rates is to better serve the identified population and the new rates will enable better collection of necessary data. Mr. DeLiberty explained that the DMH will now be able to hold providers accountable in order to ensure adequate provision of services. He also stated that the new

rates will serve as an incentive to provide services to the more difficult population because providers will be paid more to serve these individuals.

After Commission discussion of the Division of Mental Health proposal, the Commission decided to delay the implementation of the new rate structure until further discussion. The Commission decided to meet on May 20, 1998, at 10:00 a.m. to hear from interested individuals on the new rate structure and to continue Commission discussion.

Representative Crosby adjourned the meeting at 1:35 p.m.